

FEBRUARY 16, 1993

THE ACTING DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON FEBRUARY 16, 1993, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

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MINERAL ESTATE BUSINESS MATTERS

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TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of the leases listed below to Mabelle, Inc., P.O. Box 3595, Midland, TX 79702, by Phoenix Hydrocarbons, Inc. No override, but subject to 5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: PHOENIX HYDROCARBONS, INC.

....ML 22186-A....ML 22347-A....ML 22348-A....

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of the leases listed below to Mabelle, Inc., P.O. Box 3595, Midland, TX 79702, by Phoenix Hydrocarbons, Inc. No override.

LEASE OWNERSHIP: PHOENIX HYDROCARBONS, INC.

....ML 42178....ML 42190....

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of the lease listed below to Jacqueline E. Chorney, P.O. Box 8439, Denver, CO 80201, by Timothy R. Sullivan. No override.

LEASE OWNERSHIP: TIMOTHY R. SULLIVAN

....ML 42156....

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of the leases listed below to Hunt Oil Company, 1445 Ross At Field, Dallas, TX 75202-2785, by Charles W. Ray. No override.

LEASE OWNERSHIP: CHARLES W. RAY

....ML 45752....ML 45753....

TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of the leases listed below to Hunt Oil Company, 1445 Ross At Field, Dallas, TX 75202-2785, by D.M. Yates. No override.

LEASE OWNERSHIP: D.M. YATES

....ML 45754....ML 45755....ML 45756....

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of the leases listed below to Hunt Oil Company, 1445 Ross At Field, Dallas, TX 75202-2785, by Pacific Enterprises Oil Company (USA). No override.

LEASE OWNERSHIP: PACIFIC ENTERPRISES OIL COMPANY (USA)

....ML 42892....ML 43708....ML 43709....

INTEREST ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 50% interest in and to the leases listed below to Mabelle Inc., P.O. Box 3595, Midland, TX 79702, by Phoenix Hydrocarbons Inc. No override, but subject to 3 1/3% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: PHOENIX HYDROCARBONS INC.--50%, AND
UNIVERSAL RESOURCES CORPORATION--50%

....ML 42191....ML 42192....ML 42208....ML 42209....ML 42212....

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 50% interest in and to the leases listed below to Flying J Oil & Gas Inc., 333 West Center Street, P.O. Box 540180, North Salt Lake, UT 84054-0180, by Samedan Oil Corporation. No override.

LEASE OWNERSHIP: SAMEDAN OIL CORPORATION--50%, AND
FLYING J OIL & GAS INC.--50%

....ML 44502....ML 44504....

INTEREST ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 59.4% interest in part of leased lands: Lots 3, 4, W $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 16, T16S, R26E, SLB&M., 149.18 acres, in and to the lease listed below to T.H. McElvain Jr. (18%), 220 Shelby Street, P.O. Box 2148, Santa Fe, NM 87504-2148, J & L Oil and Gas, Inc. (15%), P.O. Box 3421, Billings, MT 59103, S.A. Chorney (7.5%), Suite 760, Prentice Point, 5299 DTC Boulevard, Englewood, CO 80111, Montana & Wyoming Oil Company (7.5%), P.O. Box 1324, Billings, MT 59103, Bryson Canyon Partnership 87-4 (2.10%), R. Dean Wright, General Partners, 404 North 31st Street, Suite 208, Billings, MT 59101, Robert C. Balsam, Trustee (1.50%), P.O. Box 1324, Billings, MT 59103, William H. Buniger III (1.50%), 1386 Q Road, Loma, CO 81524, David K. Terrell (1.50%), 765 S 1/2 Road, Mack, CO 81525, B & H Resources Inc. (.90%), 526 Petroleum Building, Billings, MT 59101, John S. Barovich (.90%), P.O. Box 22407, Billings, MT 59104-2407, Neil E. Fehringer and Terese Buckley-Fehringer (.90%), 7033 Highway 312, Billings, MT 59105-5027, J & B Partnership (.75%), Sheraton Hotel, 19th Floor, P.O. Box 2559, Billings, MT 59103, Jack C. Routson (.75%), 1315 Canby, Laramie, WY 82070, and Harold B. Holden (.60%), P.O. Box 1743, Billings, MT 59103, by Lone Mountain Production Company. No override, but subject to 8.25% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:	<u>T16S, R26E, SLB&M.</u>	148.58 Acres
	Section 16: Lots 1, 2, W $\frac{1}{2}$ NW $\frac{1}{4}$	
	LONE MOUNTAIN PRODUCTION COMPANY--100%	
	<u>T16S, R26E, SLB&M.</u>	149.18 Acres
	Section 16: Lots 3, 4, W $\frac{1}{2}$ SW $\frac{1}{4}$	
	LONE MOUNTAIN PRODUCTION COMPANY--60%,	
	T-K PRODUCTION COMPANY--20%, AND	
	JR OIL COMPANY--20%	

....ML 29608....

INTEREST ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 87.5% interest in part of leased lands: Lots 1, 2, W $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 16, T16S, R26E, SLB&M., 148.58 acres, in and to the lease listed below to T-K Production Company (12.5%), P.O. Box 2235, Billings, MT 59103, Montana & Wyoming Oil Company (12.4125%), P.O. Box 1324, Billings, MT 59103, Richard L. Thorp (8.945765%), 851 Garfield, Aurora, IL 60506, George H. Keelen and Gwendolyn R. Keelen (6.75%), 4555 West Iliff, Denver, CO 80219, Linda V. Trythall (6.209849%), 4331 Palisades Park Drive, Billings, MT 59106, Harold B. Holden (5.398467%), P.O. Box 1743, Billings, MT 59103, Rodney V. Christ (5.1075%), 2677 Continental Drive, Grand Junction, CO 81506-2873, Jack C. Routson (4.5%), 1315 Canby, Laramie, WY 82070, Eileen R. Pinkerton (3.786685%), 3340 Gregory Drive West, Billings, MT 59102, Bruce C. Pinkerton (3.786685%), 3340 Gregory Drive West, Billings, MT 59102, Sam Harvey (3.405%), 596 Shoshone Drive, Grand Junction, CO 81504, Jeanette M. Trythall (2.661364%), C/O James Trythall, 4331 Palisades Park Drive, Billings, MT 59106, Kenneth S. Frazier and Sheila Frazier (2.25%), 3455 River Road, Laurel, MT 59044, Stephen T. Garcia and Loretta J. Garcia (2.25%), 611 Mary Road, Bozeman, MT 59715, William H. Buniger III (2.25%), 1386 Q Road, Loma, CO 81524, J & L Oil and Gas, Inc. (1.979663%), P.O. Box 3421, Billings, MT 59103, Robert C. Balsam, Trustee (1.956522%), P.O. Box 1324, Billings, MT 59103, and Burton W. Hancock (1.35%), 1660 Hamilton Avenue, Suite 201, San Jose, Ca 95125-5402, by Lone Mountain Production Company. No override, but subject to 8.25% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:	<u>T16S, R26E, SLB&M.</u>	148.58 Acres
	Section 16: Lots 1, 2, W $\frac{1}{2}$ NW $\frac{1}{4}$	
	LONE MOUNTAIN PRODUCTION COMPANY--100%	
	<u>T16S, R26E, SLB&M.</u>	149.18 Acres
	Section 16: Lots 3, 4, W $\frac{1}{2}$ SW $\frac{1}{4}$	
	LONE MOUNTAIN PRODUCTION COMPANY--60%,	
	T-K PRODUCTION COMPANY--20%, AND	
	JR OIL COMPANY--20%	

....ML 29608....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 50% interest in operating rights from the surface to the base of the Mesa Verde Formation in and to the lease listed below to Mabelle, Inc., P.O. Box 3595, Midland, TX 79702, by Phoenix Hydrocarbons, Inc. No override, but subject to 5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CHEVRON U.S.A. INC.
OPERATING RIGHTS: FROM SURFACE TO BASE OF
MESA VERDE FORMATION
PHOENIX HYDROCARBONS, INC.--50%, AND
CHEVRON U.S.A. INC.--50%

....ML 22347....

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 40% interest in operating rights from the surface to the 14,208 feet in and to the lease listed below to Mabelle, Inc., P.O. Box 3595, Midland, TX 79702, by Phoenix Hydrocarbons, Inc. No override.

LEASE OWNERSHIP: BADGER OIL CORPORATION--60%, AND
EP OPERATING COMPANY LTD.--40%
OPERATING RIGHTS: FROM SURFACE TO 14,208
FEET
PHOENIX HYDROCARBONS, INC.--60%, AND
BADGER OIL CORPORATION--40%

....ML 35471....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 60% interest in operating rights from the surface of the earth down to a depth of 9,375 feet, but not below the base of the Mesa Verde Formation in and to the lease listed below to Mabelle, Inc., P.O. Box 3595, Midland, TX 79702, by Phoenix Hydrocarbons, Inc. No override, but subject to 6.25% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: FORCENERGY PARTNERS, L.P.--100%
OPERATING RIGHTS: FROM THE SURFACE OF THE
EARTH DOWN TO THE STRATIGRAPHIC EQUIVALENT
OF THE TOTAL DEPTH DRILLED IN THE ALGER PASS
UNIT NO. 1 WELL IN THE SE $\frac{1}{4}$ NE $\frac{1}{4}$ SEC. 2, T11S,
R19E, SLB&M., TOTAL DEPTH BEING 9,375 FEET
SUBSURFACE, BUT IN NO EVENT ANY DEPTHS
BELOW THE BASE OF THE MESA VERDE FORMATION
 PHOENIX HYDROCARBONS, INC.--60%, AND
 APACHE CORPORATION--40%

....ML 36213....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of .424299964% of 13.498884% or 5.727576% interest in operating rights covering the unit agreement and plan of unitization for the development and operation of the Monument Butte (Green River "D") Unit Area from surface to base of Green River Formation in part of leased lands: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 2, T9S, R16E, SLB&M., in and to the lease listed below to King Family Oil Company, 5005 Riverway, Suite 550, Houston, TX 77056, by Lomax Monument Butte Waterflood, Ltd. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
RAYMOND CHORNEY--25%
OPERATING RIGHTS: COVERING THE UNIT AGREEMENT
AND PLAN OF UNITIZATION FOR THE DEVELOPMENT AND
OPERATION OF THE MONUMENT BUTTE (GREEN RIVER
"D") UNIT AREA FROM SURFACE TO BASE OF GREEN
RIVER FORMATION
T9S, R16E, SLB&M.
Section 2: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$
LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.723080%,
JAMES AND BEVERLY FISCHGRUND--16.248958%,
LOMAX MONUMENT BUTTE WATERFLOOD INC.--
13.498884%,
COG PARTNERSHIP--5.504914%,
MARIAN BRENNAN--4.5%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
CODRINGTON OIL & GAS INC.--1.7254%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING SERVICES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%

....ML 21839....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of .424299964% of 13.498884% or 5.727576% interest in operating rights covering the unit agreement and plan of unitization for the development and operation of the Monument Butte (Green River "D") Unit Area from surface to base of Green River Formation in part of leased lands: $W\frac{1}{2}W\frac{1}{2}$, $SE\frac{1}{4}NW\frac{1}{4}$, $NE\frac{1}{4}SW\frac{1}{4}$ Sec. 36, T8S, R16E, SLB&M., in and to the lease listed below to King Family Oil Company, 5005 Riverway, Suite 550, Houston, TX 77056, by Lomax Monument Butte Waterflood, Ltd. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
CHORNEY OIL COMPANY--25%
OPERATING RIGHTS: COVERING THE UNIT AGREEMENT
AND PLAN OF UNITIZATION FOR THE DEVELOPMENT AND
OPERATION OF THE MONUMENT BUTTE (GREEN RIVER
"D") UNIT AREA FROM SURFACE TO BASE OF GREEN
RIVER FORMATION

T8S, R16E, SLB&M.

Section 36: $W\frac{1}{2}W\frac{1}{2}$, $SE\frac{1}{4}NW\frac{1}{4}$, $NE\frac{1}{4}SW\frac{1}{4}$
LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.723080%,
JAMES AND BEVERLY FISCHGRUND--16.248958%,
LOMAX MONUMENT BUTTE WATERFLOOD INC.--
13.498884%,
COG PARTNERSHIP--5.504914%,
MARIAN BRENNAN--4.5%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
CODRINGTON OIL & GAS INC.--1.7254%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING SERVICES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%

....ML 22061....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of .737015699% of 7.771308% or 5.727576% interest in operating rights covering the unit agreement and plan of unitization for the development and operation of the Monument Butte (Green River "D") Unit Area from surface to base of Green River Formation in part of leased lands: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 2, T9S, R16E, SLB&M., in and to the lease listed below to Carlisle Holding Company, 5005 Riverway, Suite 550, Houston, TX 77056, by Lomax Monument Butte Waterflood, Ltd. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
RAYMOND CHORNEY--25%

OPERATING RIGHTS: COVERING THE UNIT AGREEMENT
AND PLAN OF UNITIZATION FOR THE DEVELOPMENT AND
OPERATION OF THE MONUMENT BUTTE (GREEN RIVER
"D") UNIT AREA FROM SURFACE TO BASE OF GREEN
RIVER FORMATION

T9S, R16E, SLB&M.

Section 2: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$

LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.723080%,
JAMES AND BEVERLY FISCHGRUND--16.248958%,
LOMAX MONUMENT BUTTE WATERFLOOD INC.--
7.771308%,
KING FAMILY OIL COMPANY--5.727576%,
COG PARTNERSHIP--5.504914%,
MARIAN BRENNAN--4.5%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
CODRINGTON OIL & GAS INC.--1.7254%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING SERVICES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%

....ML 21839....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of .737015699% of 7.771308% or 5.727576% interest in operating rights covering the unit agreement and plan of unitization for the development and operation of the Monument Butte (Green River "D") Unit Area from surface to base of Green River Formation in part of leased lands: W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36, T8S, R16E, SLB&M., in and to the lease listed below to Carlisle Holding Company, 5005 Riverway, Suite 550, Houston, TX 77056, by Lomax Monument Butte Waterflood, Ltd. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
CHORNEY OIL COMPANY--25%
OPERATING RIGHTS: COVERING THE UNIT AGREEMENT
AND PLAN OF UNITIZATION FOR THE DEVELOPMENT AND
OPERATION OF THE MONUMENT BUTTE (GREEN RIVER
"D") UNIT AREA FROM SURFACE TO BASE OF GREEN
RIVER FORMATION
T8S, R16E, SLB&M.
Section 36: W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$
LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.723080%,
JAMES AND BEVERLY FISCHGRUND--16.248958%,
LOMAX MONUMENT BUTTE WATERFLOOD INC.--
7.771308%,
KING FAMILY OIL COMPANY--5.727576%,
COG PARTNERSHIP--5.504914%,
MARIAN BRENNAN--4.5%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
CODRINGTON OIL & GAS INC.--1.7254%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING SERVICES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%

....ML 22061....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of .066050245% of 2.043732% or .134989% interest in operating rights covering the unit agreement and plan of unitization for the development and operation of the Monument Butte (Green River "D") Unit Area from surface to base of Green River Formation in part of leased lands: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 2, T9S, R16E, SLB&M., in and to the lease listed below to Lomax Exploration Company, 13405 Northwest Freeway, Suite 314, Houston, TX 77040, by Lomax Monument Butte Waterflood, Ltd. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
RAYMOND CHORNEY--25%
OPERATING RIGHTS: COVERING THE UNIT AGREEMENT
AND PLAN OF UNITIZATION FOR THE DEVELOPMENT AND
OPERATION OF THE MONUMENT BUTTE (GREEN RIVER
"D") UNIT AREA FROM SURFACE TO BASE OF GREEN
RIVER FORMATION

T9S, R16E, SLB&M.

Section 2: N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$
LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.723080%,
JAMES AND BEVERLY FISCHGRUND--16.248958%,
KING FAMILY OIL COMPANY--5.727576%,
CARLISLE HOLDING COMPANY--5.727576%,
COG PARTNERSHIP--5.504914%,
MARIAN BRENNAN--4.5%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
LOMAX MONUMENT BUTTE WATERFLOOD INC.--
2.043732%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
CODRINGTON OIL & GAS INC.--1.7254%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING SERVICES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%

....ML 21839....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of .066050245% of 2.043732% or .134989% interest in operating rights covering the unit agreement and plan of unitization for the development and operation of the Monument Butte (Green River "D") Unit Area from surface to base of Green River Formation in part of leased lands: W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36, T8S, R16E, SLB&M., in and to the lease listed below to Lomax Exploration Company, 13405 Northwest Freeway, Suite 314, Houston, TX 77040, by Lomax Monument Butte Waterflood, Ltd. No override.

LEASE OWNERSHIP: NGC ENERGY COMPANY--75%, AND
CHORNEY OIL COMPANY--25%
OPERATING RIGHTS: COVERING THE UNIT AGREEMENT
AND PLAN OF UNITIZATION FOR THE DEVELOPMENT AND
OPERATION OF THE MONUMENT BUTTE (GREEN RIVER
"D") UNIT AREA FROM SURFACE TO BASE OF GREEN
RIVER FORMATION

T8S, R16E, SLB&M.

Section 36: W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$
LOMAX EXPLORATION COMPANY--27.889501%,
CODY RESOURCES, INC.--18.723080%,
JAMES AND BEVERLY FISCHGRUND--16.248958%,
KING FAMILY OIL COMPANY--5.727576%,
CARLISLE HOLDING COMPANY--5.727576%,
COG PARTNERSHIP--5.504914%,
MARIAN BRENNAN--4.5%,
NATURAL GAS CORPORATION OF CALIFORNIA--
2.739142%,
LOMAX MONUMENT BUTTE WATERFLOOD INC.--
2.043732%,
TEXAS GENERAL RESOURCES CORPORATION--2%,
CODRINGTON OIL & GAS INC.--1.7254%,
CHORNEY OIL COMPANY--1.555718%,
RAYMOND H. BRENNAN--1.004914%,
INTERNATIONAL DRILLING SERVICES INC.--1%,
RAYMOND CHORNEY--.903671%,
DAVIS BROTHERS--.712753%,
JACK WARREN--.518462%,
ALLAN C. KING--.518462%,
DOROTHY M. LOMAX TESTAMENTARY TRUST--
.40527%,
DAVIS RESOURCES--.356355%, AND
WILLIAM H. SCHROEDER--.194516%

....ML 22061....

OVERRIDING ROYALTY ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of 2.5% overriding royalty interest in and to the leases listed below to Hunt Oil Company, 1445 Ross At Field, Dallas, TX 75202-2785, by Pacific Enterprises Oil Company (USA). The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: GILMAN A. HILL
OVERRIDING ROYALTY:
PACIFIC ENTERPRISES OIL COMPANY (USA)--2.5%

....ML 3393....ML 3393-A....ML 3394....ML 3394-A....

TOTAL ASSIGNMENTS--ASPHALTIC SANDS/BITUMINOUS SANDS LEASES

Upon recommendation of Mr. Bonner, the Acting Director approved the assignment of the leases listed below to Hunt Oil Company, 1445 Ross At Field, Dallas, TX 75202-2785, by Pacific Enterprises Oil Company (USA). No override.

LEASE OWNERSHIP: PACIFIC ENTERPRISES OIL COMPANY (USA)

....ML 39555....ML 39826....ML 39827....ML 40864....ML 40865....
....ML 41022....ML 42476....

* * * * *

SURFACE ESTATE BUSINESS MATTERS

* * * * *

GRAZING PERMIT APPLICATIONS

GP 22875

CROSS S CATTLE COMPANY
C/O A C EKKER
PO BOX 129
HANKSVILLE UT 84734

3198.92 Acres \$302.99 per annum \$50.00 application fee for 15 years.

County(s) Wayne

05/01/93 Beginning Date

T29S, R14E, SLB&M

Sec. 2: All
Sec. 16: All

T30S, R14E, SLB&M

Sec. 2: All

T30S, R15E, SLB&M

Sec. 2: All
Sec. 16: All

Upon recommendation from Mr. Williams, Mr. Kappe approved GP 22875.

GRAZING PERMIT APPLICATIONS (CONT'D)

GP 22876

JOSEPH HILL DBA
HILL BROS FARM
290 N ANGEL
KAYSVILLE UT 84037

1200.00 Acres \$112.71 per annum \$50.00 application fee for 15 years.

County(s) Tooele

05/01/93 Beginning Date

T3N, R2W, SLB&M
Sec. 1: All

T3N, R1W, SLB&M
Sec. 6: All, except E2SE4

Upon recommendation from Mr. Buehler, Mr. Kappe approved GP 22876.

GP 22877

CLARK BROS: ROBERT /OR
RICHARD CLARK C/O RICHARD
620 EAST 300 SOUTH
CEDAR CITY UT 84720

279.98 Acres \$23.76 per annum \$50.00 application fee for 15 years.

County(s) Iron

05/01/93 Beginning Date

T35S, R15W, SLB&M
Sec. 31: SW4, W2SE4, NE4NE4

Upon recommendation of Ms. Knight, Mr. Kappe approved GP 22877.

ASSIGNMENT OF GP 20220, GP 20479, GP 21827, GP 22785, GP 22786

Pacific Enterprises Oil Company (USA), 1700 Pacific Ave, Suite 1200, Dallas, Texas 75201, has requested permission to assign 100% of his interest in the above-referenced grazing permits to Hunt Oil Company, 1445 Ross at Field, Dallas, Texas 75202-2785. The assignment fee of \$1.00 per AUM was collected. The fees totaled \$596.00.

Upon the recommendation of Ms. Wardle, Mr. Kappe approved the above-referenced assignments.

REINSTATEMENT OF GP 21451

Roland A. Hall, 284 Ridge Road, Orem UT 84057, has requested that GP 21451 be reinstated. This permit was canceled for non-payment on June 29, 1992. On July 13, 1992, the Division received payment from Mr. Hall in the amount of \$301.53 which included the \$15.00 late fee and the \$20.00 reinstatement fee; however, the permit was not reinstated at that time and should now therefore be reinstated.

Upon the recommendation of Ms. Knight, Mr. Kappe approved the reinstatement of GP 21451.

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EASEMENT

EASEMENT NO. 196

APPLICANT'S NAME AND ADDRESS

Pacificorp, dba Utah Power & Light
1407 West North Temple
Suite 110
Salt Lake City, Utah 84140

LEGAL DESCRIPTION

A Right of way 40 feet in width, being 20 feet on each side of the following described survey line:

Township 1 South, Range 7 West, SLB&M
Section 7: within

Beginning on the east boundary line of the Grantor's land at a point 1695 feet north, more or less, along the section line from the east one quarter corner of Section 7, T1S, R7W, SLB&M thence N 79°10' W 5064.2 feet, more or less, to the North boundary line of said land and being in the N2N2 of said Section 7; containing 4.65 acres, more or less.

Township 1 South, Range 8 West, SLB&M
Section 2: within

Beginning on the east boundary line of the Grantor's land at point 1048.6 feet north, more or less, along the section line from the SE cor of Section 2, T1S, R8W, SLB&M, thence N 79°10' W 5384 feet, more or less, to the west boundary line of said land and being in the SE4 and the N2SW4 of said Section 2; containing 4.94 acres, more or less.

EASEMENT (CONT'D)

EASEMENT NO. 196 (cont'd)

Township 1 North, Range 8 West, SLB&M
Section 32: within

Beginning on the south boundary line of the Grantor's land at a point 203.1 feet east, more or less, from the southwest corner of Section 32, T1N, R8W, SLB&M thence N 56°04'W 245 feet, more or less, to the west boundary line of said land and being in the SW4SW4 of said Section 32; containing 0.22 of an acre, more or less.

Township 1 North, Range 9 West, SLB&M
Section's 36: within

Beginning on the east boundary line of the Grantor's land at a point 1187 feet north, more or less, along the section line from the east one-quarter corner of Section 36, T1N, R9W, SLB&M, thence N 50°22' W 2279.6 feet, more or less, to the north boundary line of said land and being in the E2NE4 and the NW4NE4 of said Section 36; containing 2.09 acres, more or less.

Township 1 North, Range 9 West, SLB&M
Section's 16: within

Beginning on the east boundary line of the Grantor's land at a point 740 feet north, more or less, along the section line from the southeast corner of Section 16, T1N, R9W, SLB&M, thence N 50°19' W 5703.4 feet, more or less, thence N 82°26' W 897.7 feet, more or less, to the west boundary line of said land and being in the E2SE4, NW4SE4, SW4NE4, E2NW4, NW4NW4, of said Section 16; containing 6.06 acres, more or less.

A right of way 10 feet in width, being 5 feet on each side of the following described centerline:

Beginning at a new pole in the above described surveyline on the Grantor's land at a point 912.1 feet South and 886 feet east, more or less from the NW cor of Sec. 16, T1N, R9W, SLB&M, thence N 23°37' E 67 feet on said land and being in the NW4NW4 of said Section 16; containing 0.02 of an acre, more or less.

Total area 17.98 acres, more or less.

COUNTY: Tooele ACRES: 17.98 more or less FUND: School

EASEMENT (CONT'D)

EASEMENT NO. 196 (cont'd)

PROPOSED ACTION:

The purpose of this forty (40) foot wide proposed easement is to provide access across State Trust lands for a 46kV transmission line to provide power to the western desert.

CRITERIA FOR EVALUATION:

R640-100-200(1)(a) requires that one or more of the following plans be implemented:

- (i) General management plans
- (ii) Comprehensive management plans
- (iii) Site-specific plans
- (iv) Resource plans

R640-100-300 gives the Division guidance as to what type of plan should be required. Paragraph 2 of this rule indicates that site-specific planning is initiated either by:

- (a) an application for a trust land use or a sovereign land use, or
- (b) the identification by the Division of an opportunity for commercial gain in a specific area.

A site-specific plan is defined in R640-1-2 as follows:

Plans prepared for state lands which provide direction for specific actions. Site-specific plans shall include, but not be limited to:

1. Records of Decision in either summary or narrative form.
2. Board action that designates specific parcels of land for specific use(s) or designations.

Easements are excluded from the narrative record of decision process if all of the following four conditions exist:

1. The proposed easement is not located entirely on State land or, if it is located entirely on State land, it is located in an existing corridor.
2. The proposed easement term is 30 years or less.
3. The applicant has paid the fee as determined by the Division.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

EASEMENT (CONT'D)

EASEMENT NO. 196 (cont'd)

R640-100-400(1) requires the Division, when conducting site-specific planning, to consider:

- (a) a comparative evaluation of the commercial gain potential of the proposed use with competing or existing uses;
- (b) the effect of the proposed use on adjoining state lands;
- (c) an evaluation of the proposed use or action with regard to natural and cultural resources, if appropriate;
- (d) the notification of, and environmental analysis of, the proposed use provided by the public, federal, state, and municipal agencies through the Resource Development Coordinating (RDCC) process; and
- (e) any further notification and evaluations (i.e. cultural resource surveys, appraisals to determine fair market value, etc.) as required by applicable rules.

Easement charges are determined pursuant to R640-40-600:

The Board may annually establish minimum fees for easements based on the cost incurred by the division in administering the easement and the fair-market value of the particular use. The division shall determine the use fee based on comparable fees for similar uses on properties having similar physical, geographical or ownership characteristics, or the annually specified minimum for the particular use; however, no fee shall be established for easements which is less than 80 percent of the appraised value of the property involved, except in the case of roads where no fee shall be established which is less than 100 percent of the appraised value of the property involved.

EASEMENT (CONT'D)

EASEMENT NO. 196 (cont'd)

EVALUATION OF FACTS:

R640-100-300 discusses four types of plans, one of which is a site-specific plan. The site-specific plan was initiated by an application for a trust land use.

A summary of the criteria considered in this site-specific plan is as follows:

- a. There is no other proposed use. The existing use is grazing. Grazing fees are approximately sixteen cents per acre. The proposed easement will return more than grazing.
- b. The proposed use will not have an adverse affect on the adjoining property.
- c. A cultural resource survey was provided by the applicant, reviewed and approved by the Division, and also reviewed by the Division of State History.
- d. This application was submitted to RDCC over two months ago. No reply has been received. Mr. Kappe's recommendation is to proceed with the application process without RDCC response.
- e. Public notice of this proposal did not elicit any negative comments.

The proposed easement is not located entirely on State land, it is for a term of thirty years, and the applicant has paid the Division-determined fee. As far as the staff has been able to determine, there will be no unreasonable adverse effect on the marketability or developability of the subject property. Therefore, this summary will constitute the record of decision.

The standard fee for a forty-foot electrical transmission line is \$18.00 per rod. Preliminary modeling indicates that the property would have to be worth more than \$1,489.61 per acre, in order to exceed the per rod rate. According to the Tooele County Assessor records, the land value is estimated to be \$500.00 per acre. Therefore, the per rod rate will be used.

Upon recommendation from Mr. Tripp, the Acting Director, Kevin Carter, approved Easement 196 with the fee being \$21,426.48 (1,190.36 rods x \$18.00 per rod), plus a \$50.00 application fee, with an administrative fee being assessed every three years beginning January 1, 1996. The unused portion (\$51.40) of the amount collected for advertising is to be refunded to the applicant.

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RIGHT OF WAY

RIGHTS OF WAY - ROW 2114 and ROW 2115

The Bureau of Land Management recently indicated in a December 16, 1992, letter to the Division that the above-referenced rights of way are perpetual, and requested that future administrative fees be waived. Following a review of the executed right-of-way documents, and R640-40-1800, it has been determined by the Division staff that these easements, because they are perpetual, do not require monitoring for abandonment, and because a negotiated fee of \$10.00 was paid by the BLM for each right of way, it is the recommendation of the staff that future administrative fees no longer be charged.

Upon the recommendation of Mr. Tripp, Kevin Carter, the Acting Director, approved this action.

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RIGHT OF ENTRY

RIGHT OF ENTRY NO. 3648

On February 12, Mr. Doug Fullmer, S.W. Area Land Specialist, pursuant to R640-40-2, and in accordance with direction and delegation of authority, approved the request of Hurricane City, 58 N 200 East, Hurricane, UT 84737, to occupy the following-described State land for the purpose of construction of a waterline and water tank:

T41S, R14W SLB&M Washington Co.
Section 34: SE4NE4

The fee for this right of entry is \$150.00, plus a \$50.00 application fee, which equals \$200.00; Miner's Hospital fund.

In accordance with direction and delegation of authority from Mr. Storey, Mr. Fullmer approved Right of Entry No. 3648 with an expiration date of May 12, 1993.

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REFUND REQUESTED

Texaco Exploration and Production Inc. - P O Box 2100 - Denver, CO 80201,
is requesting a refund in the amount of \$9,795.00 which represents an
overpayment of 1992 rental as follows:

ML 39916\$ 995.00
ML 39915 1,600.00
ML 39865 7,200.00

TOTAL DUE \$9,795.00

Files indicate rental should have been tendered for \$3.00 per acre.

Upon recommendation of Mr. Johnson, Kevin Carter, the Acting Director
approved the refund for overpayment.

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INTEREST RATE

CURRENT YEAR

YEAR AGO

Base Rate

6.00

6.50



KEVIN S, CARTER, ACTING DIRECTOR
DIVISION OF STATE LANDS & FORESTRY


CANDEE H. PENMAN, SECRETARY

ARCHIVES APPROVAL NO. 7900209